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## FISCAL IMPACT REPORT

SPONSOR Chatfield LAST UPDATED \_\_\_\_\_  
ORIGINAL DATE 1/24/25  
SHORT TITLE Soil and Water Conservation Districts BILL \_\_\_\_\_  
Funding NUMBER House Bill 126  
ANALYST Jorgensen

### APPROPRIATION\* (dollars in thousands)

FY25	FY26	Recurring or Nonrecurring	Fund Affected
\$3,000.0	\$0.0	Nonrecurring	General Fund

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

### Sources of Information

LFC Files

Agency Analysis Received From  
New Mexico Department of Agriculture

## SUMMARY

### Synopsis of House Bill 126

House Bill 126 (HB126) appropriates \$3 million from the general fund to the New Mexico Department of Agriculture for soil and water conservation districts statewide.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

## FISCAL IMPLICATIONS

The appropriation of \$3 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY26 shall revert to the general fund.

## SIGNIFICANT ISSUES

The New Mexico Department of Agriculture (NMDA) would disburse the funding using a formula approved by the New Mexico Soil and Water Conservation Commission (SWCC).

According to NMDA:

There are 47 SWCDs in New Mexico. SWCDs are independent subdivisions of state government governed by boards of supervisors, local landowners and residents who are either elected or appointed. SWCDs are authorized by the Soil and Water Conservation District Act (73-20-25 through 73-20-48 NMSA 1978) to perform a variety of functions, including conserving and developing the natural resources of the state, providing for flood control, preserving wildlife, and protecting the state tax base. SWCDs coordinate assistance from all available sources—public and private, local, state and federal—in an effort to develop locally driven solutions to natural resource concerns.

NMDA receives a recurring appropriation of \$819.41 annually through its agency budget. Divided equally between the SWCDs, this equals \$17,434.26 per district. In FY25, NMDA received an additional special appropriation of \$3.5 million to carry out its statutory responsibilities for operations and programs pursuant to Soil and Water Conservation District Act (Section 73-20-25 NMSA 1978 through Section 7320-48 NMSA 1978).

NMDA allocates operational funding to SWCDs using a point system formula that weighs several factors, including compliance with statutory obligations, development of conservation project proposals, and level of community engagement. The SWCC approves the point system on an annual basis. Some SWCDs have mill levies and other funding sources, while others are heavily reliant on the point system distribution to cover basic operational costs.

CJ/rl/hg